

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF WORKFORCE SOLUTIONS  
ADMINISTRATOR'S MEMO SERIES

ACTION 03-29

ISSUE DATE: 11/26/2003  
DISPOSAL DATE: 12/31/2005

RE: **CONSORTIUM  
INCENTIVE FUNDS**

To: AGENCY DIRECTORS

From: Bettie A. Rodgers *BR*  
Division Administrator

### **PURPOSE**

The purpose of this memo is to outline the guidelines for requesting the Consortium Incentive Funds, including the format, criteria for allocating the funding and timeframes. Attached is a previous communication from the Division of Workforce Solutions (DWS) regional offices that includes the DWS Policies and Procedures on Access to and Use of Consortium Incentive Funds (Attachment A) and a Consortium Incentive Funds Summary Form (Attachment B).

### **BACKGROUND**

The Department encouraged the development of consortia for the 2004-2005 contract period of Wisconsin Works (W-2) and Related Programs. The Request for Proposals (RFP), Part I, 2.7.2, stated that additional resources may be available for one-time costs to support the development of consortium infrastructure during the first year of a consortium, not to extend beyond the contract period. The Department will determine if there is need for infrastructure funding based on documentation provided by the proposed consortium.

DWS will give priority in awarding Consortium Incentive Funds to W-2 consortia that are new for the 2004-05 W-2 contract period. A new consortium is a consortium that is formed for the 2004-05 W-2 Contract or a consortium that includes a change in the configuration of W-2 geographic areas (counties or Milwaukee W-2 regions) for the 2004-05 W-2 Contract. DWS will reserve thirty percent (30%) of the \$2,937,416 total Consortium Incentive Funds to encourage the formation of new consortia during the 2004-05 W-2 contract. At this time, seventy percent (70%) of the total Consortium Incentive Funds, or \$2,056,191, is available to be awarded.

Several W-2 consortia have already submitted funding requests. However, these requests were submitted in a variety of formats. Some of the requests were submitted within an agency's W-2 Transition Plan, while some were submitted as separate requests. Some requests may not have been submitted yet.

### **W-2 CONSORTIUM INCENTIVE FUNDS**

DWD will determine the allocations to the consortia based on the following criteria including but not limited to:

- Demonstration of an economy of scale;
- Demonstration of an enhanced ability to respond to caseload changes;
- Demonstration of seamless service delivery to participants in multiple W-2 geographic areas;
- Reasonableness of the costs; and

- All items must be necessary, appropriately allocated, and in compliance with the Department's Policies and Procedures, including policies on Early/Advance Spending Authority for the 2004-05 W-2 Contract Funds.

The Consortium Incentive Funds must be for one-time only costs, and may not be used for ongoing operational or other ongoing costs.

Examples of allowed Consortium Incentive Funds costs include:

- Information Technology (IT) connectivity set-up costs;
- Telephone system connectivity set-up or installation costs;
- Providing signage for the consortium;
- Initial staff training on the consortium's policies and procedures;
- Mailing to participants regarding the consortium;
- Facilities costs subject to amortization by the Department's Policies and Procedures; and/or
- Equipment and/or information technology (IT) costs subject to depreciation by the Department's Policies and Procedures.

W-2 Consortium Incentive Funds may not be used for ongoing operational or other ongoing costs, including:

- Staff salaries/benefits, except for staff salaries/benefits for setting-up the W-2 consortium;
- New worker training for Financial and Employment Specialists (FEPs);
- Facilities costs not related to the allowed consortium incentive funds categories;
- Equipment and/or IT costs not related to the allowed consortium incentive funds categories;
- or
- Coordination and collaboration with Community Based Organizations required by the Department's Policies and Procedures for all W-2 agencies, except for coordination and collaboration required as a W-2 consortium;

Any IT items included within the request for Consortium Incentive Funds must also comply with all relevant Department Policies and Procedures, including approval of IT items with costs over \$5,000.

## **FORMAT FOR SUMMARIZING REQUESTS**

The attached Consortium Incentive Funds Summary Form (Attachment B) must be used to submit all Consortium Incentive Fund requests.

As outlined on the Summary Form, the W-2 consortium must categorize all requested funding within the following categories:

- Category 1: Providing Better Customer Service;
- Category 2: Advancing Co-location of Services and Staff in Job Centers;
- Category 3: Improving IT Connectivity;
- Category 4: Upgrading Internal and External Communication Tools;
- Category 5: Merging and/or Oversight of Management Policies and Procedures for Programs, Finance, Staff Training, Quality Assurance and Civil Rights;
- Administration; and
- Totals.

As outlined on the Summary Form, the W-2 consortium must summarize the request for each of the above categories by:

- Expenses planned or incurred in 2003; and
- Expenses planned or incurred in the 2004-05 W-2 contract period.

The W-2 consortium may only request reimbursement for items approved by the Department and expenses incurred during the required timeframes. Consortium Incentive Funds are available for a one-year period. The one year period will be identified in each consortium's 2004-05 W-2 Contract amendment that addresses W-2 consortium incentive funding.

### **Complete Request**

The W-2 consortium must submit the completed Consortium Incentive Funds Summary Form, and provide supportive documentation (i.e., receipts, estimates, etc.) to justify each item requested. The Department will review each item requested to ensure that the supportive documentation fully addresses the need for each item and whether it meets the funding guidelines.

### **Timeframes**

September 22, 2003	DWS issued the Policies and Procedures on Access to and Use of Consortium Incentive Funds through the Regional Offices.
December 5, 2003	DWS Regional Office must receive Consortium Incentive Funding Requests, including the Consortium Incentive Funds Summary Form and all relevant documentation for all consortia established prior to December 1, 2003.
December 10, 2003	DWS will communicate decisions on awards of Consortium Incentive Funds to W-2 consortiums that submitted requests by the December 5, 2003 due date.
January 1, 2004 - June 30, 2005	New W-2 consortia that form after December 5, 2003 may submit requests for Consortium Incentive Funds.

### **ACTION NEEDED**

Please review the attached policy and procedures. If you wish to request consortium incentive funding, follow the steps as outlined and use the form provided.

### **CONTACT FOR QUESTIONS**

If you have any questions about this memo, please contact the Department's Contract Manager (Area Administrator) in the Regional Office.

Attachments

## **Attachment A**

### **Division of Workforce Solutions Policies and Procedures on Access to and Use of Consortium Incentive Funds**

**Background:** The Department encouraged the development of consortia for the 2004-2005 contract period of Wisconsin Works (W-2) and Related Programs. The Request for Proposals (RFP), Part I, 2.7.2, stated the following:

Additional resources may be available for one-time costs to support the development of consortium infrastructure during the first year of a consortium not to extend beyond the contract period. The Department will determine if there is need for infrastructure funding based on documentation provided by the proposed consortium.

- A. Funds Available:** \$2,937,416 for the 2004-2005 contract period. At least 30% of the funds will be retained and will be available to be awarded to eligible consortia formed after the 2004-2005 RFP selection process. This will allow for funds to be available for potential new consortia formed after the effective date of the 2004-2005 contracts.
- B. Purpose of Consortium Incentive Funds:** Requests for consortium incentive funds must fall into one or more of the following categories:
- Category 1: Providing Better Customer Service.
  - Category 2: Advancing Co-location of Services and Staff in Job Centers.
  - Category 3: Improving IT Connectivity.
  - Category 4: Upgrading Internal and External Communication Tools.
  - Category 5: Merging and/or Oversight of Management Policies and Procedures for Programs, Finance, Staff Training, Quality Assurance and Civil Rights.
- C. Eligibility for the Funds:** A consortium must be approved by the Department prior to the request for and expenditure of consortium incentive funds. The following consortia are eligible to request consortium incentive funds:
- Consortia that earned Right of First Selection for the 2004-2005 contract period;
  - Consortia selected in the 2004-2005 W-2 and Related Programs RFP process; and
  - Consortia developed and approved by the Department subsequent to the 2004-2005 RFP selection process.

Priority will be given to support the infrastructure costs of the formation of any new consortia.

**Effective Date:** No costs for consortium incentive funds will be reimbursed by the Department until after the consortium lead agency has an approved Plan and a signed contract amendment incorporating consortium incentive funds. Please see Section D. for the Request and Approval Process.

**D. Request and Approval Process:** Requests for consortium incentive funds must be submitted to the Contract Manager. Requests must include:

- The purpose of the one-time costs as it relates to one or more of the five (5) categories listed in Section B.
- Justification of the need.
- Detailed budget – attach any supporting documentation (i.e., bids, price quotes, etc.).
- Requests related to improving IT connectivity must include equipment specifications and demonstrate compliance with the Department's IT standards.

Division of Workforce Solutions (DWS) staff will review the requests for consortium incentive funds and make funding recommendations to the DWS Division Administrator. The Division Administrator or her designee will make approvals.

Agencies can negotiate their Plan and budget as part of this process, but expenses will not be eligible for reimbursement until after a contract amendment for consortium incentive funds is signed.

**E. Expenditure Reporting:** W-2 agencies will report the expenditure of consortium funds through the normal expense reporting process.

**F. Oversight:** Consortia that were granted consortium incentive funds are required to provide a monthly report of outcomes to the Contract Manager as long as expenses are being reported against an agency's consortium incentive award. Outcomes include expenditures and the status of completion of each item in the consortium's funding request. The Bureau of Partner Services will provide a format for the monthly report and will monitor the use of consortium incentive funds for compliance.

## Attachment B

### Consortium Incentive Funds Summary Form

	2003	2004-05	TOTALS of Consortium Incentive Funds Requested by W-2 Consortium
Providing Better Customer Service			
Advancing Co-location of Services and Staff in Job Centers			
Improving IT Connectivity			
Upgrading Internal and External Communication Tools			
Merging and/or Oversight of Management Policies and Procedures			
Administration			
TOTALS			

#### Instructions:

1. Complete all applicable spaces in the above chart.
2. Attach documentation and justification for each item included within each of the categories in the above chart.
3. Submit the completed Summary Form, with complete documentation/justification for each item, to the regional Contract Manager **by no later than December 5, 2003** (or a later date for new consortia during the 2004-05 W-2 Contract).

#### Attachments:

Documentation/Justification